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CENTRAL INTELLIGENCE AGENCY'

Memorandum



# THE SITUATION IN VIETNAM

Information as of 1600 5 January 1966

PREPARED FOR THE NATIONAL SECURITY COUNCIL
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### HIGHLIGHTS

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Hanoi propaganda continues intransigent on peace prospects. A DRV Army newspaper commentary says flatly that there can be no end to the fighting in Vietnam as long as the US refuses to withdraw its troops and does not recognize the National Liberation Front.

The Military Situation in South Vietnam: Battalion-strength Vietnamese and Korean task force elements participating in Operation JEFFERSON continue in their drive to dislodge Communist troops from heavily fortified caves and bunkers some 63 miles south of Qui Nhon, in Phu Yen Province (Para. 1). Twenty-seven USAF B-52 Stratofortress strategic bombers yesterday attacked three Viet Cong target areas in Tay Ninh Province, 55 miles northwest of Saigon (Para, 2). An estimated 70 Viet Cong were killed yesterday when trapped in open terrain by attacking US A-1E Skyraiders in Phu Yen Province (Para. 3). Viet Cong pressure against government positions near Quang Ngai city, the capital of coastal Quang Ngai Province, continues to gather momentum (Para. 4).

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According to MACV's Weekly

Military Report for the period 25 December - 1 January, the number of Viet Cong - initiated incidents reached an all-time high (Paras. 9-13).

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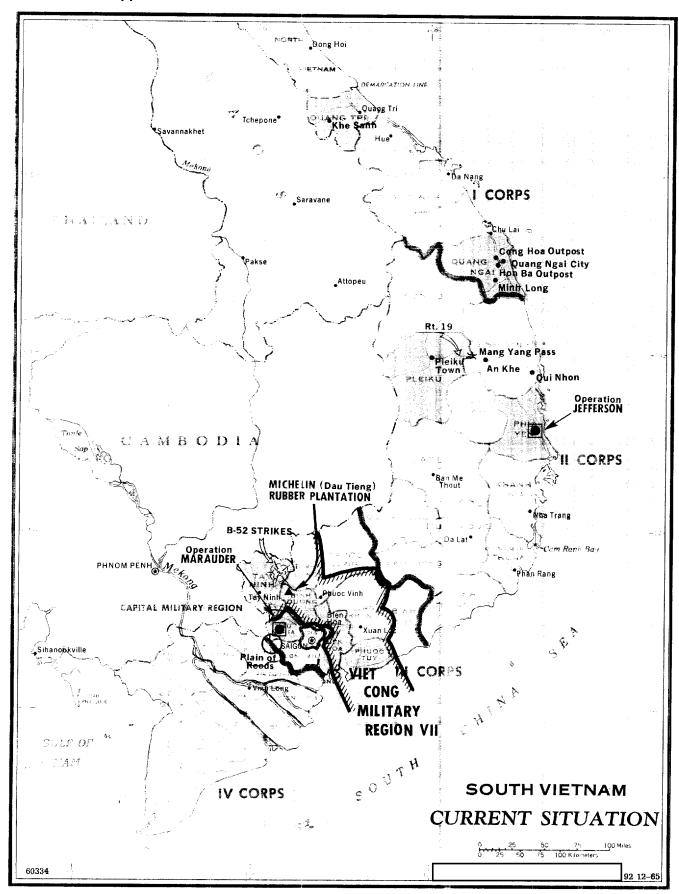
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	IV.	Other	Communist	Military	Developments:	Noth-
ing	of si	ignific	rance to re	eport.		

- V. Communist Political Developments: Another intransigent DRV propaganda piece on the US peace initiatives has appeared in the Hanoi army newspaper. This one says flatly that so long as the US refuses to withdraw its troops and recognize the National Liberation Front there cannot be an end to the fighting in South Vietnam (Paras. 1-4). A central committee meeting in Hanoi is rumored to have started in late December; the DRV party usually holds such a session around this time (Para. 5).
- VI. Other Major Aspects: Hanoi claims that its 1965 output of grain increased over 1964. It appears that the DRV does not face any major food crisis in the near future, although local shortages may continue to occur (Paras. 1-3).

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### I. MILITARY SITUATION IN SOUTH VIETNAM

- l. Battalion-strength Vietnamese and Korean task force elements participating in Operation JEFFERSON are continuing in their efforts to dislodge stubbornly resisting Communist troops from heavily fortified defensive positions 63 miles south of Qui Nhon in central coastal Phu Yen Province. The joint ground sweep, currently in its sixth day, has thus far resulted in cumulative Viet Cong losses of 318 killed (body count), 10 captured, and 269 suspects detained. Friendly casualties to date stand at 32 killed (19 ROK, 13 ARVN), 74 wounded (51 ROK, 20 ARVN, 3 US), and one ROK missing.
- 2. Twenty-seven Guam-based USAF B-52 Stratofortresses, striking in three waves of nine aircraft
  each, yesterday attacked three separate but adjacent
  Viet Cong target areas in Tay Ninh Province, approximately 55 miles northwest of Saigon. The
  strike zone is believed to contain elements of the
  Central Office of South Vietnam (COSVN--the central
  governing body for all Viet Cong activities in South
  Vietnam), one battalion of security forces, and elements of a Viet Cong regiment previously engaged
  during the Michelin rubber plantation actions in
  northwestern Binh Duong Province about a month ago.
  No ground follow-up operation was planned.
- 3. A US CH-54 "Flying Crane" helicopter transporting tons of ammunition crashed and burned today in the Vietnamese central highlands, killing all five crewmen aboard. The aircraft, one of four brought to Vietnam by the US Army's 1st Cavalry Division, crashed just west of the Mang Yang Pass on lateral Route 19 between 1st Cavalry headquarters at An Khe and II Corps headquarters at Pleiku town. The cause of the incident has not as yet been determined.

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### Viet Cong Actions

- An estimated force of 300 Viet Cong, wearing camouflaged uniforms, were brought under surprise aerial attack yesterday by four USAF A-1E Skyraiders while in open terrain some 25 miles south of Qui Nhon, in Phu Yen Province. The US forward air controller (FAC) reported 70 guerrillas killed.
- 5. Viet Cong pressure against government positions near Quang Ngai city, the capital of coastal Quang Ngai Province, continues to gather momentum. Early today, enemy units attacked the Regional Forces outpost at Cong Hoa with heavy mortar, machine gun, and small arms fire for the third consecutive day, and placed recoilless rifle fire on the nearby Hon Ba outpost. Vietnamese defenders repulsed both assaults, with friendly casualties reported as light.
- Friendly losses resulting from yesterday's two Viet Cong mortar attacks against the 500-man US/Vietnamese Special Forces garrison at Khe Sanh, in northernmost Quang Tri Province, have been revised upward by MACV, and currently stand at 15 killed, 38 wounded, and two observation aircraft destroyed. The garrison reports it received an estimated 75 rounds of 120-mm. mortar fire, thus marking the first confirmed use by the

Viet Cong of this weapon. Enemy losses were un-

known.

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Last Week in Review

9. According to MACV's Weekly Military Report for the period of 25 December to 1 January, the number of incidents initiated by the Viet Cong reached an all-time high. One thousand one hundred thirty-three were recorded, compared to the 861 reported the preceding week. Most of the reporting period's total was made up of terrorist incidents, 745 of which were reported. There were 25 attacks—an unusually high number.

10. A statistical comparison of Communist activity for the past two weeks follows:

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Time Period	At- tacks	$\frac{\overline{\text{Terror-}}}{\underline{\text{ism}}}$	Sabo- tage	<u>Propa-</u> ganda	Anti- Aircraft	Total In-
18-25 Dec	8	539	89	<b>7</b> 5	150	861
25 Dec-1 Jan	n 25	745	125	120	118	1,133

The Communists were particularly active in Quang Ngai Province between Christmas and New Year's day. On 29 December, they overran the district capital of Minh Long in the center of the province, shelled another district capital on Quang Ngai's coast, and blew up three bridges south of the provincial capital on South Vietnam's coastal high-On the 30th, the Viet Cong attacked and briefly occupied a district capital and overran a militia outpost 14 miles southwest of Quang Ngai city. the latter action, 203 militiamen were reported miss-On the last day of the year, the enemy assaulted and briefly held yet another militia outpost 11 miles west of Quang Ngai city. Although air strikes reportedly killed at least 80 Viet Cong, by and large their reported losses were not as heavy as those of the government in the province. commander of the ARVN 2nd Division, whose headquarters is in the area, later said the government did not plan to retake Minh Long in the immediate future.

12. On the other hand, government troops were relatively successful in Hau Nghia Province, northwest of Saigon. On 31 December, helicopters carried a three-battalion ARVN airborne force to landing zones in the western section of the province. By the day's end, the South Vietnamese had killed 125 Viet Cong and captured 39 prisoners, while losing 28 killed and 99 wounded. At the end of the reporting period, the operation was continuing.

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- 13. On New Year's Day, a task force of South Vietnamese paratroopers and Korean marines engaged an estimated Viet Cong battalion in Phu Yen Province; when the day closed, friendly troops had killed 66 Viet Cong, and had lost 8 dead and 27 wounded. The operation in Phu Yen was continuing at the end of the reporting period.
- Highlighted by the Communists' destruction of the three bridges in Quang Ngai Province, the Viet Cong effort to sabotage South Vietnam's transportation system continued at a high level. tional Route 1 was closed in Quang Ngai, Binh Dinh, Phu Yen, Ninh Thuan, Binh Thuan, and Binh Tuy provinces. Route 9 was closed in Quang Tri Province. Route 14 was closed in Kontum, Pleiku, Quang Duc, Phuoc Long, and Binh Long provinces. Route 19 was closed west of Pleiku town. Route 7 was closed in Phu Yen Province. Route 11 was closed in Tuyen Duc Province. Route 20 was closed in Long Khanh and Lam Dong provinces. Interprovincial Route 1 was closed in Binh Duong and Phuoc Long provinces. Provincial Route 10 was closed in Hau Nghia Prov-The National Railroad was operating between Saigon and Gia Ray, in Long Khanh Province; between Ca Na, in Ninh Thuan Province and Ninh Hoa, in Khanh Hoa Province; and between Hué, in Thua Thien Province, and Quang Tri city in Quang Tri Province.

### A Summary of Casualties

15. MACV's Weekly Military Report for the period between 25 December and 1 January listed 988 South Vietnamese casualties (303 KIA, 496 WIA, and 189 MIA/captured), an increase from the 830 casualties (227 KIA, 499 MIA, and 104 MIA/captured) reported during the previous week. ARVN weapons losses increased to 431 (3 crew-served) from the 226 (2 crew-served) reported lost the week before.

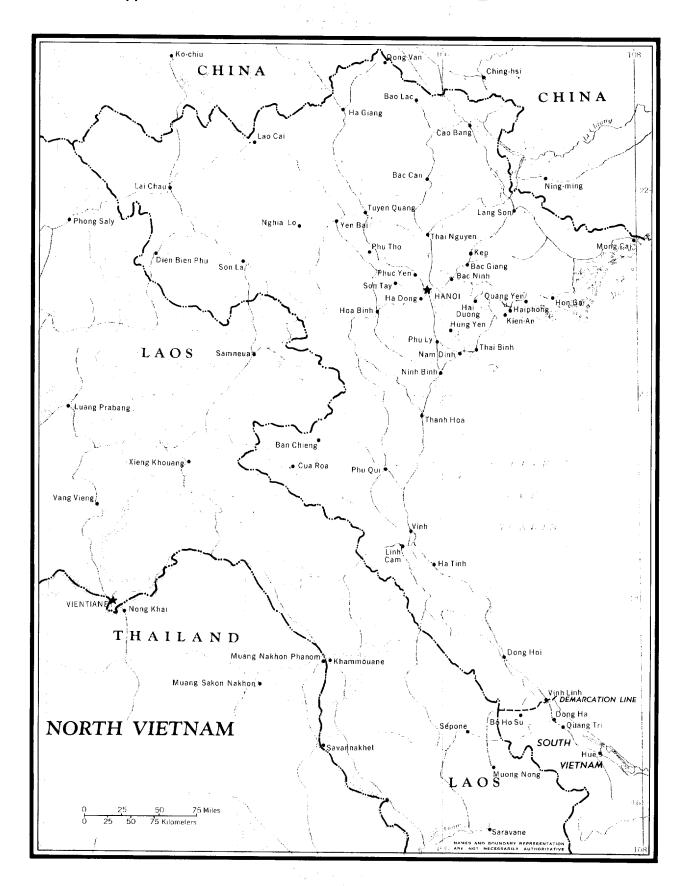
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- 16. Between 25 December and 1 January, the Viet Cong reportedly sustained 1,024 casualties (897 KIA and 127 captured), down from the 1,074 casualties (937 KIA and 137 captured) suffered the previous week. Allied forces captured 206 weapons (12 crew-served), down from the 246 (12 crew-served) taken the week before.
- 17. US battle casualties processed at the close of the 25 December 1 January reporting period totaled 155 (34 KIA, 116 WIA, and 5 MIA/captured), compared to last week's revised casualty total of 254 (40 KIA, 203 WIA, and 11 MIA/captured).

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# IV. OTHER COMMUNIST MILITARY DEVELOPMENTS

1. Nothing of significance to report.

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### V. COMMUNIST POLITICAL DEVELOPMENTS

- l. Another tough, unyielding propaganda statement from Hanoi on the US peace initiatives has now been forwarded to Washington. The piece, in the form of an "Observer" commentary in the DRV army newspaper, was broadcast domestically to the North Vietnamese on 2 January. The commentary is more specific than any previous DRV propaganda in laying out Hanoi's terms for an "end to the fighting" in Vietnam.
- 2. If the "Americans refuse to withdraw their troops and put an end to aggression" in Vietnam, the commentary states, the "fighting cannot be ended." This statement echoes, and in fact sharpens, other DRV propaganda in recent days which has heavily emphasized the issue of a US troop pullout in Vietnam, and has appeared to be calling for a US commitment on the timing of withdrawal before there can be any movement toward stopping the shooting.
- 3. The commentary also lays strong stress on the role of the National Liberation Front in a settlement. It declares that "if the Americans want to end the fighting in South Vietnam, they must naturally recognize the NFLSV as the only genuine representative of the South Vietnamese people and recognize the five-point statement of the NFLSV." The commentary also reiterates the demand contained in other recent DRV propaganda for an "end forever and unconditionally" to the US bombing of the DRV.
- 4. In part, at least, the commentary is intended as an explanation of the lull in the bombing to the DRV people. It is also a warning to them that the air strikes will probably be started again. At one point, the commentary declares that the "Americans will intensify the war and bomb more fiercely." The DRV Foreign Ministry statement of 4 January was also broadcast to the domestic audience in North Vietnam.

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# Possible DRV Party Meeting

5. According to rumors current in diplomatic circles in Hanoi, a North Vietnamese Communist Party central committee meeting got under way there in late December.

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A December plenum of the DRV party central committee is an annual occurrance. The Ninth Plenum of the party, for example, took place in December 1963 and committed the DRV to a somewhat stronger pro-Chinese position than it had previously taken. The Tenth Plenum, in December 1964, reportedly concentrated on discussions of financial problems. Communiqués on both these sessions were not issued prior to mid or late January.

## Viet Cong Comment on US Peace Moves

Yesterday's DRV Foreign Ministry statement on President Johnson's peace offensive has been followed up by an equally official response from the Liberation Front's central committee. Although the full text is not yet available, a summary of the Front statement of 5 January indicates that it is as defiant and unyielding as yesterday's statement from Hanoi. After cataloging a long list of "US crimes," the Front characterized recent US peace efforts as "deceitful" and a cover up for efforts to expand the war in the South. The Front statement maintained that it will "not allow the US Government to make the cessation of bombings in the North conditional upon the South Vietnamese people laying down their arms," and pledged to "fight to the end to defeat the US imperialists."

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## VI. OTHER MAJOR ASPECTS

- 1. A 4 January Hanoi broadcast claimed a 4.9-percent increase for 1965 over 1964 in the output of grain, which in North Vietnam is predominantly rice. If taken at face value, this claim implies a 1965 rice output of about 4.5 million tons, matching the average annual output between 1959 and 1964. The record year for food production in North Vietnam was 1959, when more than five million tons of rice were harvested.
- 2. The estimated growth of two million in population since 1959 without an accompanying increase in rice production probably means that individual consumption levels have dropped somewhat. However, the Vietnamese are still in no danger of a major food crisis. If a serious shortfall in rice production develops, the populace has a safety margin in the corn, manioc, and other foods produced which do not normally constitute a large part of the diet except in the cities.
- 3. Local shortages of food will probably continue to be reflected in the DRV in labor camps and other places where large numbers of people have been temporarily concentrated. These are due mainly to transport bottlenecks, rather than to over-all shortages of food.
- 4. Rumania has become the third East European country to sign an aid agreement with the North Vietnamese economic delegation currently touring the Communist satellites. A statement published in Bucharest on 4 January at the close of five days of discussions between the DRV delegation, headed by politburo member Le Thanh Nghi, and Rumanian officials announced the granting of new economic credits to North Vietnam and the postponement of repayments of earlier credits. The statement also reported that the two countries signed a new trade and payments agreement for 1966. From the limited information in the statement, it appears that the

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Rumanian aid agreement was similar to that signed in Hungary on 27 December.

5. On a swing through Eastern Europe last June and July, Nghi visited all the major bloc captials except Bucharest. His stop in Rumania this time points up the improved relations between the two countries as well as the fact that Hanoi is making a concerted effort to demonstrate to the world that there is unity within the bloc on supporting Vietnam.

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